



North Carolina Department of Health and Human Services  
Office of the Controller

Michael F. Easley, Governor  
Carmen Hooker Odom, Secretary

Laketha M. Miller, Interim Controller  
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MEMORANDUM

TO: Private Providers  
FROM: Laketha M. Miller *Laketha M. Miller*  
DATE: July 7, 2003  
RE: Private Providers are Exempt from 2003 Cost Finding reporting



The Office of the Controller and the Division of Mental Health, Developmental Disabilities and Substance Abuse Services have decided that Private Providers will not need to complete a 2003 cost finding. This decision has been reached in light of the various transitions that will be occurring during SFY 2003-2004 as a result of Mental Health reform, including the conversion of Area Mental Health Programs to Local Management Entities (LME) and the implementation of new service definitions that will be disseminated shortly.

Since new service definitions will be in effect, the private providers' cost data for 2002-03 would not necessarily relate to current services and thus would be unusable for rate setting. It did not seem to make sense to require Private Providers to complete the reports if the data would not be utilized. In addition, this change will allow Department staff more time to focus on the issues of the LME transition

If you have any questions or concerns, please call June Montgomery at (919) 855-3681. Thanks.

CC:	Dave Mosley	Leza Wainwright	Tara Larsen
	Bill Connelly	Rick DeBell	June Montgomery
	Curtis Crouch	Pat Jeter	Phillip Hoffman
	Regional Accountants	Bob Duke	Jack Chappell